



**SINGAPORE CUSTOMS** 新加坡关税局 **KASTAM SINGAPURA** சிங்கப்பூர் கங்கத்துறை

## **MEDIA RELEASE**

27 September 2017

### **Director of freight forwarding company fined \$50,000 for affixing incorrect labels on goods and submitting false declarations to Singapore Customs**

A director of a freight forwarding company was sentenced by the State Courts on 26 September 2017 to a fine of \$50,000, or in default 50 weeks' imprisonment, for knowingly giving consent to his staff to submit false declarations of the country of origin of goods in the permit applications to Singapore Customs, and affix incorrect trade description on the sticker labels on goods.

Low Yew Gann, 47, Director of XFA Global Forwarding Pte Ltd (XFA), pleaded guilty to 10 charges. Another 32 charges were taken into consideration in the sentencing.

Investigations revealed that between 2013 and 2014, XFA exported 34 shipments of glass fibres and fabrics valued at about \$4.8 million to Bulgaria, Germany and Turkey. Despite knowing that these fibres and fabrics originated from China, XFA staff indicated the country of origin of these goods as Singapore in its export permit declarations made to Singapore Customs. They also affixed "Made in Bangladesh" sticker labels on fabrics that originated from China before exporting them from Singapore to Turkey. These activities were done with Low's knowledge and consent.

By doing so, XFA's customers in Bulgaria, Germany and Turkey could pay lower tariffs for the goods imported as anti-dumping duties would have been imposed if the goods originated from China.

Court proceedings against the company are ongoing.

Anyone found guilty of making a false declaration under the Regulation of Imports and Exports Act (RIEA) will be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding two years, or to both. Anyone found guilty of applying incorrect trade description, as a first offence will be liable on conviction to a fine not exceeding \$100,000 or 3 times the value of the goods in respect of which the offence was committed, whichever is greater, or imprisonment for a term not exceeding two years, or to both.

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